

**VERO BEACH AIRPORT COMMISSION MINUTES**  
**Friday, October 4, 2019 – 9:30 a.m.**  
**City Hall, Council Chambers, Vero Beach, Florida**

**PRESENT:** Chairman, Barbara Drndak; Vice Chairman, Arthur Hodge; Members: Carole Jean Jordan, Melvin Wood, Louis Vocelle, Jr., Alternate Member #1, Mary Wood and Alternate Member #2, John Calcagno **Also Present:** Airport Director, Eric Menger, Assistant City Attorney, Karen Emerson and Deputy City Clerk, Sherri Philo

**1. CALL TO ORDER**

Today's meeting was called to order at 9:30 a.m. and the Deputy City Clerk performed the roll call.

**2. APPROVAL OF MINUTES**

**A) June 7, 2019 - Regular Airport Commission Meeting**

**Mr. Vocelle made a motion to approve the minutes of the June 7, 2019 regular Airport Commission meeting. Mr. Wood seconded the motion.**

Mrs. Drndak referred to page two (2) of the June 7, 2019 Airport Commission minutes stating that "*Florida Aviation Administration*" should be "*Federal Aviation Administration.*"

**The minutes were unanimously approved as amended.**

**B) August 16, 2019 – Special Call Airport Commission Meeting**

Mrs. Drndak noted that she was not present for the August 16, 2019 Special Call Airport Commission meeting, but she did watch it online in its entirety.

**Mr. Vocelle made a motion to approve the minutes of the August 16, 2019 Special Call Airport Commission meeting. Mr. Hodge seconded the motion and it passed unanimously.**

**3. NEW BUSINESS**

\*Please note that the items on today's agenda were not heard in the order listed.

At this time, the Commission members went to item 3-C) on today's agenda.

**A) Aero Shade Technologies Presentation (Building 78)**

Mr. Hector Jimenez, Vice President and General Manager of Aero Shade Technologies, Inc. (AST), gave a Power Point presentation (attached to the original minutes).

Mrs. Drndak asked would they do the additional building concurrently with the remodeling of Building 78.

Mr. Jimenez answered yes.

Mrs. Drndak asked Mr. Menger if they have discussed land rent for the additional parcel.

Mr. Eric Menger, Airport Director, answered yes. He said they do have a few options. They could find out the fair market value of the existing building and AST could purchase it, which would boil down to advance rent on the building for 30-years and then just do the land rent option for the term of the lease, such as what they did with Walking Tree Brewery. The other option is they could have a lease where they rent the building at a negotiated rent. He said at this point they are at the concept stage and once they have the lease completed, they would have to go through site plan approval, building permits, etc. He said having gone through the Airport Master Plan and what they want Aviation Boulevard to look like in the future, staff wanted the Commission to see what Aero Shade Technologies wants to do and make sure the Commission is comfortable with it.

Mrs. Drndak said the core along Aviation Boulevard is important to them because they are looking to make it more retail, she thinks the stylizing and aesthetics of the building would be important to the plan that was approved in their Airport Master Plan process.

Mr. Wood said that he spent an hour with Mr. Jimenez at his current facility and it is truly a first class facility. He said that Mr. Jimenez is ahead of the evolution of what is going on with aviation with some of their products. He said there is no negative affect on the environment and it is an excellent corporation to have here. He said that Mr. Jimenez has agreed to work with Indian River State College for possibly hiring future employees, as well as hiring Veterans. He highly recommended that the Commission vote to move this forward.

Mr. Hodge said it is his understanding that they outsource a lot of their manufactured parts. He asked are there any plans to bring any of that to Indian River County.

Mr. Jimenez answered yes.

Mrs. Helene Castletine, Economic Development Director with the Indian River County Chamber of Commerce, said they are thrilled to have them come to the Vero Beach Airport. She said it is a great company. She said that they (Indian River County Chamber of Commerce) could facilitate any conversations or meetings with the Indian River State College.

Mrs. Drndak asked Mr. Jimenez if his products have to be approved by the Federal Aviation Administration (FAA).

Mr. Jimenez said they are FAA approved.

Mr. Phillip Patello, General Counsel for Corporate Air, said they have no business relationship with AST, but are very familiar with their products. He said it is absolutely a first rate aviation company and it would be wonderful if Vero Beach would accommodate them. They wholly support AST's efforts.

Mrs. Drndak asked Mr. Menger how he wants the Commission to move forward on this.

Mr. Menger said that he wanted to make sure the Commission is aware of it as a concept and that there is support for this type of business. He asked the Commission members if there is a general consensus that staff can move directly to the City Council for approval of the lease copying the Commission or do they want the lease to come before them prior to going before the City Council.

Mrs. Drndak asked at what point does the conceptual design come into play. She asked would that be separate from the lease.

Mr. Menger said that would be separate from the lease. He noted that they could put something in the lease that it be an aesthetically pleasing building.

Mr. Wood said that he would vote that they just go right to the lease subject to the Commission members receiving a copy of everything.

**Mr. Wood made a motion that the Commission accepts AST's lease subject to Airport staff scrutiny via a copy of what Mr. Menger finds out and then if they have any questions they can go back. He suggests they move this forward with a Resolution. Mr. Vocelle seconded the motion.**

**Mr. Menger said if he understands it correctly, the motion is to move forward to the City Council with the Airport Commission's conceptual approval. Mr. Wood said that is correct.**

**The motion passed unanimously.**

#### **B) Aero I / Aero II Lease Assignment (10 Federal)**

Mr. Menger reported that Aero I and Aero II are storage facilities owned by Treasure Coast Storage, Inc. He said they wanted to sell their assets to 10 Federal, Inc., which is a Nationwide storage facility. He reported that they have worked out an agreement between themselves, which he has not seen. He reported that 10 Federal have asked for a 20-year extension on the existing lease, which currently goes to 2035. He said the buildings are considerably old and in need of improvements so he would not recommend extending the lease another 20-years. So far, 10 Federal has indicated that they would not be making any major improvements. He noted that they are still in negotiations.

Mrs. Drndak said the problem to her is that it doesn't meet the Airport Master Plan because that area should be more retail related. She said the lease is already out 15 years and if they extend the lease out another 20 years, they would be cutting their own throat in terms of ever being able to turn the area into what they want to see according to the Master Plan.

Mrs. Jordan said when the Commission last met with that group she specifically asked that they clean up the facility and they have not. She said it is not attractive and is part of the corridor to the City of Vero Beach. She said that she would not be in favor of any kind of an extension.

At this time, the Commission members went to item 4-D) on today's agenda.

**C) Waste Water Treatment Facility at the Airport**

Mrs. Drndak said Mr. Bolton gave a very in depth Power Point presentation to the City Council, which has been shortened for today's meeting. She felt they could limit the presentation to why they chose the option they chose rather than going through the entire presentation.

Mr. Rob Bolton, Water and Sewer Director, went over the following slides from the Power Point presentation with the Commission members: *History of Vero Beach WWTPs, What are we Doing County-Wide, Wastewater Treatment Relocation Study - Site Map, Facility Relocation Alternative, Facility Relocation Alternative – Alternative No. 1 (CAS), Facility Relocation Alternative No. 2 (MBR), and Facility Relocation Alternative – Alternative No. 3 (SBR)* (attached to the original minutes).

At this time, the Commission went to item 3-A) on today's agenda.

**4. OLD BUSINESS**

**A) Proposal from American Aviation University (Update)**

Mr. Menger said that he thinks this is a dead project in that he has not had any contact from American Aviation University in months.

**B) Proposal from Florida Power and Light (FPL) / Girard Equipment (Update)**

Mr. Menger reported that they are currently in negotiations with Mr. Tim Girard, of Girard Equipment, on a lease for the old Transmission and Distribution (T&D) warehouse. At the request of the City Manager, he sent the appraisal that was done in 2018 with the Florida Power and Light (FPL) sale and the appraisal that Mr. Girard did in 2019 to the FAA and asked them if they had any concerns. The FAA responded that they did have a concern because the rent amounts were so far apart and requested that the City do a third appraisal to insure that the rental value is of fair market value. Therefore, the City is in the process of doing the third appraisal. The only other issue is what improvements need to be made to the building and what part the Airport is willing to pay for.

**C) MRO Hangar (Update)**

Mr. Menger reported they are under negotiations with SheltAir, who will design, build, and manage the hangar.

**D) Customs at Vero Beach Airport (Update)**

Mr. Menger reported that the City started thinking about a Customs facility a little over two (2) years ago because there was interest shown from Elite Airways and from some of

their FBO's, specifically Corporate Air. Because of the increase in interest, he started to move in the direction to have the City pursue Customs at the Airport. In 2018, the former Mayor, Councilmember Harry Howle, wrote a letter to former Governor Scott requesting his support and Governor Scott responded by sending a letter to the United States Customs. In August of 2019, people from Customs came from Washington D.C, Texas, and West Palm Beach and toured the Airport, which one (1) of their stops was at Corporate Air. He reported that this was before the City Council at their meeting on Tuesday and he reported to them three (3) options that he received in speaking with Customs, which in his opinion is the best way to proceed. He briefly went over the options with the Commission members (attached to the original minutes). He reported that he did recommend to the City Council that they go with Option 2, which would be to put out a Request for Proposal (RFP) to select an FBO to provide a GAF user fee facility provided they have legal documentation. The City Council agreed and asked the City Attorney to get the legal document in place and bring it back before them at their October 15<sup>th</sup> City Council meeting. He recommended that the Airport Commission decide what they want and ask the Chairman to communicate their recommendation to the City Council.

Mrs. Karen Emerson, Assistant City Attorney, explained that this matter is already before the City Council so this is a matter just for discussion.

Mr. Phillip Patello, Attorney, said Corporate Air is becoming the largest general aviation facility at the Airport. When they first discussed the possibility of Customs, no one had really explored that opportunity at all. He said if an RFP was necessary it should have been done at the beginning of this process. He said their research has not been completed yet and they will defer this to the City Attorney, but since there are no City funds or government funds involved, an RFP may not be necessary. He reported that Schenkel/Shultz Architecture, who is the largest builder of Customs facilities in the Country, are preparing preliminary drawings. Corporate Air is asking for the Commission's consent to proceed subject Counsel's recommendation. Their next step is to sign an architectural agreement with Schenkel/Shultz Architecture, which they cannot sign without the permission of the City. He asked the Commission for their recommendation to the City Council that Corporate Air be allowed to proceed with a user fee GA facility at the Vero Beach Airport.

Mr. Don Loucks, Consultant, handed out to the Commission members a packet of information (attached to the original minutes). He read into the record a letter from Mr. Rodger Pridgeon, President and CEO of Corporate Air, Inc., regarding Corporate Air's petition to the Airport Commission. He asked the Commission members to look through the packet of information provided, specifically at the timeline. In addition, there is a summary, a plot plan that shows where they want to locate the facility, a summary of the indemnity that would be required, and revenue expectations. He said of the three (3) options, this is the fastest. He said there isn't any way to go through the process for an RFP and as Councilmember Robbie Brackett stated at the City Council meeting, how do you provide a better RFP than zero, which is what Corporate Air is offering the City. Mr. Loucks said this is a win/win for the City and the County. He asked the Commission members to bring a letter of support to the City Council at their meeting on October 15<sup>th</sup>. He said if the City decides they don't want to do this then he would ask that they

withdraw their application so they can pursue this on their own. However, that would cause a two (2) to two and a half year delay.

Mrs. Drndak asked is the property where the facility is being proposed already under lease.

Mr. Menger answered yes.

Mrs. Emerson explained to the Commission members that there would not be a vote by the Commission members in that this matter is before the City Council. She said discussion is fine, but there would be nothing forwarded to the City Council at this point.

Mrs. Drndak said that she thinks they can decide if they want to make a proclamation to the City Council.

Mrs. Emerson said this is in front of the City Council.

Mrs. Drndak said maybe the City Council would benefit from the Commission's discussion. She said that she doesn't remember in watching the Airport Commission Special Call meeting that there was a vote on this.

Mr. Wood said they discussed it.

Mr. Loucks said it was only a discussion. The reason Corporate Air is asking for this is because there was a request at the City Council meeting regarding an RFP. He said Corporate Air does not see the benefit in that at all.

Mrs. Drndak asked is there jeopardy for the City. She said that she sees a problem with Sun Aviation because they made it clear that they want the option.

Mrs. Emerson said the matter is already at the City Council level and is being decided by the City Council. She said the Commission can have discussion about this, but there is not anything to send forward because it is at the City Council.

Mr. Loucks reported that at the City Council meeting, the question of indemnity was a big discussion and the City Attorney said that he would draw up a letter of indemnity that would be acceptable to the City and to Corporate Air prior to their October 15<sup>th</sup> meeting.

Councilwoman Laura Moss said that she is present speaking only for herself. She said if they haven't seen the video of the City Council meeting, they will probably want to see it. She said it was a spirited discussion. She said there are several considerations and it was, by the way, a consensus of Council that they are all interested in this project so there is no need to "sell it." She felt the Airport Director would second that; that there was a consensus of Council. She said the concern she thinks was in two (2) places and there are legal issues as Mrs. Emerson has pointed out. She said there are liability issues; the City needs to be indemnified and there is the question of does the City need to put it out for an RFP. She said the City Attorney at the City Council meeting, if they haven't seen it yet and she is referring to the previous City Council meeting, expressed concern that these items need to be addressed before a decision is made by the City Council. She said that

she certainly wants the City Attorney's office to feel comfortable with everything before they go forward. While she thanks the Commission for their service and appreciates their expertise and their focus on this very specific area, on City Council and she said this at the meeting, their responsibility is to all the people in the City and to see that first, to do no harm. She said that is how she always views it; they love to go forward and want to make progress, but she needs to be certain that there will be no harm in any way that will come to the City.

Mr. Menger commented that a feasibility study was mentioned, which he has not seen it and asked that it be sent to him.

Mr. Phillip Patello said what is available now is a draft feasibility study that was sent to Palm Beach and to Washington. He said they are working on a second draft, which should be ready in about a week and he will send it to Mr. Menger. He said that he understands Councilwoman Moss's concern for the City and if the Airport Commission and the City Council is at all concerned, that they withdraw their support and Corporate Air will proceed on their own. He said at this point, they think they could have the facility up and running by November, 2021, so they could start providing the City revenue in 2021.

Mr. Loucks said at the City Council meeting there seemed to be questions about the City being liable. He said the indemnity would eliminate that. He said the Memorandum of Understanding (MOU) with Customs specifically gives the operators who work with Customs a 30-day out.

Mrs. Drndak said Mrs. Emerson made it pretty clear that this is already at City Council and she did not have the opportunity to see the meeting. However, it was her understanding that the City Council did want to hear from the Commission. She asked Councilwoman Moss is that is true or is this an irrelevant conversation.

Councilwoman Moss said she thinks at that time and as she said they had a spirited discussion, but she thinks the Airport Director suggested, quite wisely, that they take a little timeout and bring it back before the City Council at their next meeting and during that interim to provide the Airport Commission the opportunity to discuss it. She thinks that she understands what Ms. Emerson is saying and she will take this opportunity to thank the City Attorney's office and by the way, the new City Attorney, Mr. John Turner, has been terrific. He is very forthright, very engaged, very enthusiastic, and very thorough, which she appreciates. She said that Mr. Turner said at the City Council meeting that he needed time to be sure that this would be a good move for the City for the future and was not comfortable with it that evening. She said again, she is speaking for herself, but she thinks whenever your City Attorney says that to you and is that forthright, she thinks you are obligated as a City Councilmember to take that advice. That's legal advice, he is her Counsel, and she represents the people. If that's his advice to her, she thinks she is bound by that. She also appreciates what the Airport Director had to say. She thinks there are at least two (2) considerations that she is aware of and one (1) had to do with the RFP, and she doesn't have a favorite in this, but the gentleman from Sun Aviation was at the meeting and that was quite an impassioned plea. She knows they can't watch the City Council meeting this minute, but they definitely will want to watch it. She said to get back to the original question, she will speak for herself, she appreciates

discussion by people, such as the Commission, that studies this and is focused on it. This is their center of effort. She appreciates their discussion, which is why she is here today. She said that she is the Commission's liaison. She said that she appreciates it and she benefits from their expertise. To discuss it she thinks is worthwhile. If she understands it correctly, Mrs. Emerson, it is a warning in affect because there is a legal protocol. She asked if she understands that correctly.

Mrs. Emerson answered yes. This is basically for discussion, but there is nothing to send to the City Council because this matter is before the City Council.

Councilwoman Moss said they did the full "Court" process at the last meeting and she is sure it is going to happen again at their meeting on October 15<sup>th</sup> and in the meantime, they are just looking for the benefit of the Commission's insight should they care to impart any and that's it and they don't need to vote.

Mrs. Drndak said that she understands the Commission in not voting on anything and she is curious if the City Council indicated that they were interested in what the Commission had to say today.

Mrs. Emerson said for discussion, yes.

Mr. Menger asked are they saying that the Commission cannot advise the City Council on this subject or are they saying that they cannot vote on the issue.

Mrs. Emerson said there is nothing as a consensus to send because the matter is before the City Council, but they can always have discussion.

Mr. Vocelle said it is at the City Council, but the Commission has been advised that the City Council wants to hear from them so either they want to hear from the Commission or you (Mrs. Emerson) are telling them that the City Council is not going to listen to them.

Mrs. Emerson said that she thinks the meeting is televised and public and she is sure that their discussion is public record.

Mr. Vocelle said that he sees this as a win/win. He said that when Mr. Holman from Sun Aviation attended the last Airport Commission meeting he stated that he was totally unaware of this, which he (Mr. Vocelle) couldn't believe. He said Corporate Air has done their due diligence and are willing to put up the money. He thinks it is a win/win. He said that he likes Option 2 and if the City Attorney feels this is not feasible then let the City withdraw their application and let Corporate Air take it on. He said this is something that is well underway and is going to be a benefit to the community and to the Airport.

Mr. Wood seconded what Mr. Vocelle just said. He thinks this is a win/win situation. He said that Corporate Air is ready to go.

Mrs. Drndak said that she thinks Corporate Air knows there has never been a bigger supporter of Corporate Air than her, but what concerns her is that they have other FBO's

that might be interested as well so it seems that an RFP would be in order. She felt Corporate Air would come out on top because they are so far ahead, but she is concerned that the City is choosing someone to have an advantage over someone else. She said that she knows Corporate Air would do a fabulous job, but they have about five (5) FBO's at the Airport.

Mrs. Wood agreed.

Mrs. Jordan said that she appreciates Corporate Air's forward thinking and they do need Customs here. She questioned what would they put into the RFP because it is normally about money. They have put a lot of time and effort into this and because they have been in this for so long, she hopes that their endeavor is successful.

Mrs. Drndak said that she didn't think there was any question that all the Commission members want Customs.

Councilwoman Moss said there might be another way other than an RFP to make it equitable in terms of the other FBO's and she will leave that with the City Attorney's office, but there may be another way to ensure that it is equitable.

At this time, the Commission went to item 4-A) on today's agenda.

#### **E) Commercial Air Service (Update)**

Mr. Menger reported that Elite Airways will be expanding their airline service for the holidays, as they did last year.

#### **F) Airport Revenue - Florida Statute 332 (Update)**

Mr. Menger reported that the Airport is now over the 10,000 enplanements threshold, which reduces their Florida Department of Transportation (FDOT) Grant funding from 80% to 50%. He said that he sent a draft language change to Florida Statute 332 to the Florida Airport Council State Affairs Committee, who is the lobbying arm for Airport Managers (attached to the original minutes). He explained that FDOT staff is not willing to support them in a policy change to continue the Grant funding at 80% because they need a Legislative change that they can follow. He reported that the proposed language in the State Statute would allow them a period of five years to stay at the 80% Grant funding even though they are greater than the 10,000 enplanements.

### **5. CHAIRMAN'S MATTERS**

Mrs. Drndak said that she was not able to attend their Special Call meeting, but she did watch it online. She said that she appreciates that Mr. Wood is very interested in what is going on at the Airport, but she didn't see any urgency in anything that was discussed at that meeting. She said there was nothing discussed that this Commission hasn't already discussed. She said they are not here to tell Mr. Menger how to run the Airport and he is the person who deals with the City Manager. She said the Commission can engage the City Manager and various departments, but their goal is to advise and make recommendations to the City Council. She said that she would like all the Commission

members to stay in regular discussions with Mr. Menger and to come to their meetings already knowing the issues and the facts. She explained that they can't have good discussion on something that they just learn about at the meeting. They need time to think through these things prior to their meetings. She hoped the Commission members would be more engaged so that they can have productive discussions rather than educational moments.

Mr. Vocelle said in all the meetings that he has Chaired, there was nothing more frustrating than having committee members come to their meetings unprepared. He said that he is behind her on this 100%.

Mr. Wood said that she just made his point on why he called the Special Call meeting. He said under the Sunshine Law the only time they can have a discussion is when they are all together, which is why he called the meeting.

Mrs. Drndak said that is not her point. Her point is that discussions are good, but everyone should know what the underlying material is ahead of time.

## **6. AIRPORT DIRECTOR'S MATTERS**

Mr. Menger reported that they checked into Proviewer, Google Maps, Google Earth, etc., and they all are several months out of date, they are currently working with the City Attorney's office to update all their legal documents, and the Finance Department is working on ways to assist the Airport on collection of revenues.

## **7. PUBLIC COMMENT**

None

## **8. NEXT MEETING DATE**

### **A) December 6, 2019**

Mr. Hodge said at their Special Call meeting they deferred discussion of having regularly scheduled meetings. He noted that he is in favor of having regularly scheduled meetings.

Mrs. Drndak thought they had meetings scheduled.

Ms. Sherri Philo, Deputy City Clerk, reported that the Commission set up meeting dates for 2019 and 2020.

Mrs. Drndak said their next meeting is scheduled for December 6, 2019 and the following meeting is scheduled for January 3, 2020. She said that is less than one (1) month away and questioned if the Commission wanted to meet that soon. She asked what are the other meeting dates that have been scheduled.

Ms. Philo reported that the dates scheduled are January 3, 2020, April 3, 2020, July 10, 2020, and October 2, 2020.

The Commission members agreed that they cancel their January 3, 2020 meeting.

Mr. Menger suggested that they reschedule the December meeting to November 22, 2019 because the City Council cancelled their second meeting in December and if there is something that needs to go before them it would not be heard until sometime in January.

Mr. Vocelle and Mr. Hodge said they would not be available to meet on November 22<sup>nd</sup>.

The Commission members agreed that they would hold their next meeting on December 6, 2019.

Mrs. Emerson asked the Chair to open public comments.

At this time, the Chairman opened and closed public comments, with no one wishing to be heard.

Mrs. Drndak explained that at this point, the Commission will meet on December 6, 2019 and possibly cancel their January 3, 2020 meeting.

## **9. ADJOURNMENT**

Today's meeting adjourned at 12:06 p.m.

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